



AD-A256 119



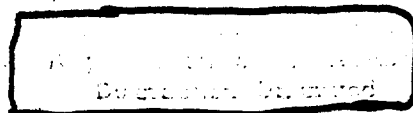
VRI-DMIS-2.60 WP92-16
J. Hufford
T. Ritter
15 July 1992

1

DRAFT
FOR REVIEW AND DISCUSSION
SUBJECT TO CHANGE

FY91 PEER GROUPS

DTIC
ELECTE
OCT 2 1992
S C D



92 10 1 041

39015 92-26337
2928



VECTOR RESEARCH, INCORPORATED

P.O. Box 1506
Ann Arbor, Michigan 48106
(313) 973-9210

901 S. Highland Street
Arlington, Virginia 22204
(703) 521-5300

REPORT DOCUMENTATION PAGE			Form Approved OMB No. 0704-0188	
<small>Public reporting burden for this report is estimated to be 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing this collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Service, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Project Director (0704-0188), Washington, DC 20503.</small>				
1. AGENCY USE ONLY (Leave blank)		12. REPORT DATE 15 July 1992	13. REPORT TYPE AND DATES COVERED	
4. TITLE AND SUBTITLE FY 91 PEER GROUPS			5. FUNDING NUMBERS MDA903-88-C-0147	
3. AUTHOR(S) Vector Research, Incorporated Task Order Proponent: Stuart W. Baker, LTC, MS, USA				
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) VECTOR RESEARCH, INCORPORATED P.O. Box 1507 Ann Arbor, MI 48106 902 S. Highland Street Arlington, VA 22204			8. PERFORMING ORGANIZATION REPORT NUMBER VRI-DMIS-2.60 WP92-16	
9. SPONSORING / MONITORING AGENCY NAME(S) AND ADDRESS(ES) OASD/HA/HSO/RAMS 3 Skyline Place, Suite 1507 5201 Leesburg Pike Falls Church, VA 22041-3203			10. SPONSORING / MONITORING AGENCY REPORT NUMBER	
11. SUPPLEMENTARY NOTES				
12a. DISTRIBUTION / AVAILABILITY STATEMENT Approved for Public Release: Distribution is Unlimited			12b. DISTRIBUTION CODE	
13. ABSTRACT (Maximum 200 words) This document presents the methodology for and results of updating the Department of Defense (DoD) Medical Treatment Facility (MTF) peer groups using FY 1991 inpatient Biometrics data. The methodology is based on DoD analysis performed during the original development of Diagnosis Related Group (DRG) based resource allocation for Military Health Services System (MHSS) direct care facilities.				
14. SUBJECT TERMS MTF; MHSS; FY 1991 Inpatient Biometrics Data			15. NUMBER OF PAGES 24	
			16. PRICE CODE	
17. SECURITY CLASSIFICATION OF REPORT UNCLASSIFIED	18. SECURITY CLASSIFICATION OF THIS PAGE UNCLASSIFIED	19. SECURITY CLASSIFICATION OF ABSTRACT UNCLASSIFIED	20. LIMITATION OF ABSTRACT UL	

92 10 1 1992

FOREWORD

This document presents the methodology for and results of updating the DoD Medical treatment facility (MTF) peer groups using FY91 inpatient Biometrics data. The methodology is based on DoD analysis performed during the original development of DRG-based resource allocation for MHSS direct care facilities. This document was prepared under contract number MDA903-88-C-0147. Questions or comments should be directed to LTC Stuart Baker, OASD(HA) Resource Analysis and Management Systems, (703) 756-1918.

Accession For	
Medical	<input checked="" type="checkbox"/>
Dental	<input type="checkbox"/>
Pharmacy	<input type="checkbox"/>
Other	<input type="checkbox"/>

Medical	<input checked="" type="checkbox"/>
Dental	<input type="checkbox"/>
Pharmacy	<input type="checkbox"/>
Other	<input type="checkbox"/>

1. ☐ Medical
2. ☐ Dental
3. ☐ Pharmacy
4. ☐ Other

A-1

CONTENTS

<u>Section</u>	<u>Page</u>
1.0 INTRODUCTION	1-1
2.0 METHODOLOGY	2-1
2.1 Medical Center Peer Group Definitions	2-1
2.2 Conus Community Hospital Peer Group Definitions	2-2
2.3 Overseas Hospital Peer Group Definitions	2-3
3.0 FY91 PEER GROUPS	3-1

LIST OF EXHIBITS

<u>Number</u>	<u>Title</u>	<u>Page</u>
3-1	Summary Of FY91 Peer Group Definitions	3-2
3-2	Summary Of Peer Group Sizes For FY90 And FY91	3-3
3-3	Medical Centers Grouped By FY91 Peer Groups	3-4
3-4	Conus Community Hospitals Grouped By FY91 Peer Groups	3-5
3-5	Overseas Hospitals Grouped By FY91 Peer Groups	3-10
3-6	Summary Of Number Of Peer Group Changes Between FY88 And FY90, FY90 And FY91 By Facility Type	3-12
3-7	Summary Of Peer Group Changes For FY91 By Category Of Change	3-13

1.0 INTRODUCTION

This working paper presents the methodology and results for updating DoD medical treatment facility (MTF) peer groups using FY91 inpatient Biometrics data. The methodology is based on a DoD analysis performed when the government developed the original diagnosis related group (DRG) based resource allocation methodology. This original analysis employed FY86 data. The peer group definitions were updated using FY88 and FY90 data. The FY90 analysis revised peer group definitions to employ average daily patient load (ADPL), rather than operating beds, to define MTF size. This revision was necessary since information on operating beds is no longer available.

The focus of the current analysis is to maintain the basic peer group definitions as close as possible to the existing definitions. However, because the relative case mix index (RCMI) and ADPL decreased from FY90 to FY91 for many facilities, it was necessary to modify peer group definitions to maintain balance in peer group sizes. Note that Version 4 DRG weights and direct care trim points were used to compute workload for FY90, and CHAMPUS outlier criteria and Version 8 DRG weights were used in FY91 due to a change in DoD policy. Where RCMI is referenced, it is the RCMI based upon the Version 8 Grouper, DRG weights, and CHAMPUS outlier criteria. The CMI has been divided by the CMI correction factor to correct for observed changes due to the grouper update:¹

$$\text{CMI correction Factor} = \frac{\text{DoD CMI (Version 8.0 Grouper) } 0.8491}{\text{DoD CMI (Version 4.0 Grouper) } 0.8581} = 0.9895$$

¹ Further detail concerning development of the CMI correction factor is contained in **Development and Impact of Implementing FY91 (Version 8) CHAMPUS DRG Weights and Outlier Criteria**, VRI-DMIS-2.60 WP92-5, Vector Research, Incorporated, Ann Arbor, Michigan, 20 May 1992.

$$RCMI = \frac{CMI}{0.8109 \times CMI \text{ Correction Factor}} = \frac{CMI}{(0.8109 \times 0.9895)} = \frac{CMI}{0.8024}$$

This report contains two additional chapters. Chapter 2.0 discusses the methodology involved in updating and revising the FY91 peer groups. Chapter 3.0 presents the FY91 peer groups and comparisons between the FY90 and FY91 peer groups. Note that the focus of this study is inpatient facilities. While clinic peer groups do exist they are not part of this analysis.

Finally, it should be noted that peer group definitions were updated here in order to maintain balance in terms of the number of facilities in each group, while providing general guidelines for defining subsets of MTFs based upon facility characteristics. As this report documents, peer group composition changes substantially from year to year, whether peer group definitions are identical to previous years' definitions or modified to maintain balance. This instability indicates a problem with peer group consistency using these definitions. From a resource allocation perspective, ideal peer groups would be subsets of MTFs that are homogeneous with respect to certain characteristics that affect the level of resources required for patient care, and are relatively stable from year to year. As stated previously, the purpose of this study was to update previous peer group definitions using the previously developed methodology and the most recent data. It was beyond the scope of this study to develop a new peer grouping methodology.

2.0 METHODOLOGY

The focus of this analysis was to duplicate the FY90 development of peer groups while making only minor modifications where necessary. The initial step was to divide the MTFs into three general groupings of medical centers, CONUS community hospitals, and overseas hospitals. The methodology used in creating the more detailed peer groups is discussed in the following sections.

2.1 MEDICAL CENTER PEER GROUP DEFINITIONS

When the original medical center peer groups were created, they were defined based upon relative case-mix index (RCMI) only. The FY88 and FY90 definitions were identical to those developed in FY86, and are presented in the table below.

FY90 MEDICAL CENTER PEER GROUP DEFINITIONS

<u>PEER GROUP</u>	<u>RCMI</u>	<u>NUMBER OF MTFs</u>
MC1_90	< 1.20	6
MC2_90	1.20 ≤ RCMI < 1.50	7
MC3_90	≥ 1.50	5

For the FY91 peer group study, if the MTFs were grouped according to the same definitions as in FY90, the number of MTFs for MC1, MC2, and MC3 would have been 7, 7, and 4, respectively. These changes are due to the fact that the RCMI decreased for 16 of the 18 medical center facilities from FY90 to FY91. Therefore, in order to keep the same peer groups, cut points were lowered in determining FY91 peer groups. These peer groups are presented in the table below.

FY91 MEDICAL CENTER PEER GROUP DEFINITIONS

<u>PEER GROUP</u>	<u>RCMI</u>	<u>NUMBER OF MTFs</u>
MC1_91	< 1.20	7
MC2_91	1.20 ≤ RCMI < 1.45	6
MC3_91	≥ 1.45	5

2.2 CONUS COMMUNITY HOSPITAL PEER GROUP DEFINITIONS

The principal adopted in determining CONUS community hospital peer groups was that of keeping balance in the peer group size. There were two basic steps in determining CONUS community hospital peer groups. First the data were divided into quarters based upon ADPL, and then each of those quarters was divided into halves based upon RCMI. The FY90 definitions are presented in the table below.

FY90 CONUS COMMUNITY HOSPITAL PEER GROUP DEFINITIONS

<u>PEER GROUP</u>	<u>ADPL</u>	<u>RCMI</u>	<u>NUMBER OF MTFs</u>
CH1_90	< 12	< .75	14
CH2_90	< 12	≥ .75	10
CH3_90	12 ≤ ADPL < 25	< .80	19
CH4_90	12 ≤ ADPL < 25	≥ .80	12
CH5_90	25 ≤ ADPL < 60	< .85	11
CH6_90	25 ≤ ADPL < 60	≥ .85	16
CH7_90	≥ 60	< .90	10
CH8_90	≥ 60	≥ .90	17

FY91 Biometrics data were used to compute MTF ADPL and RCMI. Since the RCMI and ADPL decreased for 55 and 85 of the 107 CONUS community hospitals, respectively, the definitions for determining CONUS community hospitals were decreased in order to preserve the balance in peer group size. The facilities were first sorted by ADPL, and the midpoint ADPL was 22. The cut points for the 25th and 75th percentile regions were 10 and 55, respectively.

In dividing each of the quarters into halves, the FY90 RCMI cut points had to be modified slightly due to the observed general decrease in RCMI. The dividing points chosen were 0.86, 0.76, 0.82 and 0.90. The following table presents the FY91 CONUS community hospital peer groups.

FY91 CONUS COMMUNITY HOSPITAL PEER GROUP DEFINITIONS

<u>PEER GROUP</u>	<u>ADPL</u>	<u>RCMI</u>	<u>NUMBER OF MTFs</u>
CH1_91	< 10	< .86	14
CH2_91	< 10	≥ .86	9
CH3_91	10 ≤ ADPL < 22	< .76	19
CH4_91	10 ≤ ADPL < 22	≥ .76	12
CH5_91	22 ≤ ADPL < 55	< .82	11
CH6_91	22 ≤ ADPL < 55	≥ .82	14
CH7_91	≥ 55	< .90	12
CH8_91	≥ 55	≥ .90	16

2.3 OVERSEAS HOSPITAL PEER GROUP DEFINITIONS

Peer groups for overseas hospitals were also based upon RCMI and ADPL. For FY90 the facilities were sorted by ADPL and divided into two groups. Each of these two groups were then sorted by RCMI and again divided into two groups. The resulting four overseas hospital peer groups for FY90 are displayed in the table below.

FY90 OVERSEAS HOSPITAL PEER GROUP DEFINITIONS

<u>PEER GROUP</u>	<u>ADPL</u>	<u>RCMI</u>	<u>NUMBER OF MTFs</u>
OS1_90	< 35	< .75	8
OS2_90	< 35	≥ .75	12
OS3_90	≥ 35	< .80	7
OS4_90	≥ 35	≥ .80	10

If these same definitions were used for FY91, 10 facilities would have changed peer groups. Five of those seven facilities would have moved

from peer group OS3, leaving only two facilities in OS3. In order to keep the balance in the peer group size, the definitions were modified slightly for FY91.

The overseas facilities were sorted by ADPL and there was a large gap in ADPL occurring between 21.8 and 29.8. Therefore, an ADPL cut point of 25 was chosen. This decrease in the cut point was attributable to the decrease in ADPL for 30 of the 36 overseas facilities. The RCMI cut points were then chosen at .78 for the smaller overseas hospitals and .91 for the larger hospitals. The resulting FY91 definitions are displayed in the table below.

FY91 OVERSEAS HOSPITAL PEER GROUP DEFINITIONS

<u>PEER GROUP</u>	<u>ADPL</u>	<u>RCMI</u>	<u>NUMBER OF MTFs</u>
OS1_91	< 25	< .78	7
OS2_91	< 25	≥ .78	12
OS3_91	≥ 25	< .91	7
OS4_91	≥ 25	≥ .91	10

Having presented the FY91 peer group definitions, Chapter 3.0 presents a discussion of each peer group and facilities contained within the peer groups.

3.0 FY91 PEER GROUPS

The FY91 peer group definitions for all facility types are summarized in exhibit 3-1. The number of facilities in each peer group for FY90 and FY91 are presented in exhibit 3-2. Exhibit 3-2 also reflects the change in the size of the peer groups for FY90 and FY91. The number of facilities within MC3, OS2, OS3, OS4, CH1, CH3, CH4, and CH5 stayed the same between FY90 and FY91. From FY90 to FY91, peer groups MC1 and CH7 increased in size, while peer groups MC2, OS1, CH2, CH6 and CH8 decreased in size. In all, the total number of facilities decreased by three from FY90 to FY91. The number of facilities in the overseas peer groups decreased by one facility from FY90 to FY91 as:

- USAF Hospital Hellenikon, at Hellenikon AB did not perform any inpatient functions in FY91.

For the CONUS community hospitals, there were two less facilities in FY91 than there in FY90:

- BRH NAVSTA Adak, had not yet reported inpatient records at the time of this study; and
- 509th Strategic Hospital, at Pease AFB closed at the end of FY90.

The FY91 medical center peer groups are displayed in exhibit 3-3. Because the RCMI decreased for 16 of the 18 medical center facilities from FY90 to FY91, the cut point definitions had to be adjusted for these decreases in RCMI. After the definitions were modified to accommodate the decreases in RCMI, only one facility switched peer groups. Malcom Grow USAF Medical Center-Andrews AFB changed from MC2_90 to MC1_91.

Exhibit 3-4 displays the CONUS community hospitals by FY91 peer group. In all, 33 of 107 CONUS community hospitals switched peer groups between FY90 and FY91. Of the MTFs that changed peer groups:

EXHIBIT 3-1: SUMMARY OF FY91 PEER GROUP DEFINITIONS

MEDICAL CENTERS

PEER GROUP	RCMI
MC1_91	< 1.20
MC2_91	$1.20 \leq \text{RCMI} < 1.45$
MC3_91	≥ 1.45

CONUS COMMUNITY HOSPITALS

PEER GROUP	ADPL	RCMI
CH1_91	< 10	< .86
CH2_91	< 10	$\geq .86$
CH3_91	$10 \leq \text{ADPL} < 22$	< .76
CH4_91	$10 \leq \text{ADPL} < 22$	$\geq .76$
CH5_91	$22 \leq \text{ADPL} < 55$	< .82
CH6_91	$22 \leq \text{ADPL} < 55$	$\geq .82$
CH7_91	≥ 55	< .90
CH8_91	≥ 55	$\geq .90$

OVERSEAS HOSPITALS

PEER GROUP	ADPL	RCMI
OS1_91	< 25	< .78
OS2_91	< 25	$\geq .78$
OS3_91	≥ 25	< .91
OS4_91	≥ 25	$\geq .91$

EXHIBIT 3-2: SUMMARY OF PEER GROUP SIZES FOR FY90 AND FY91

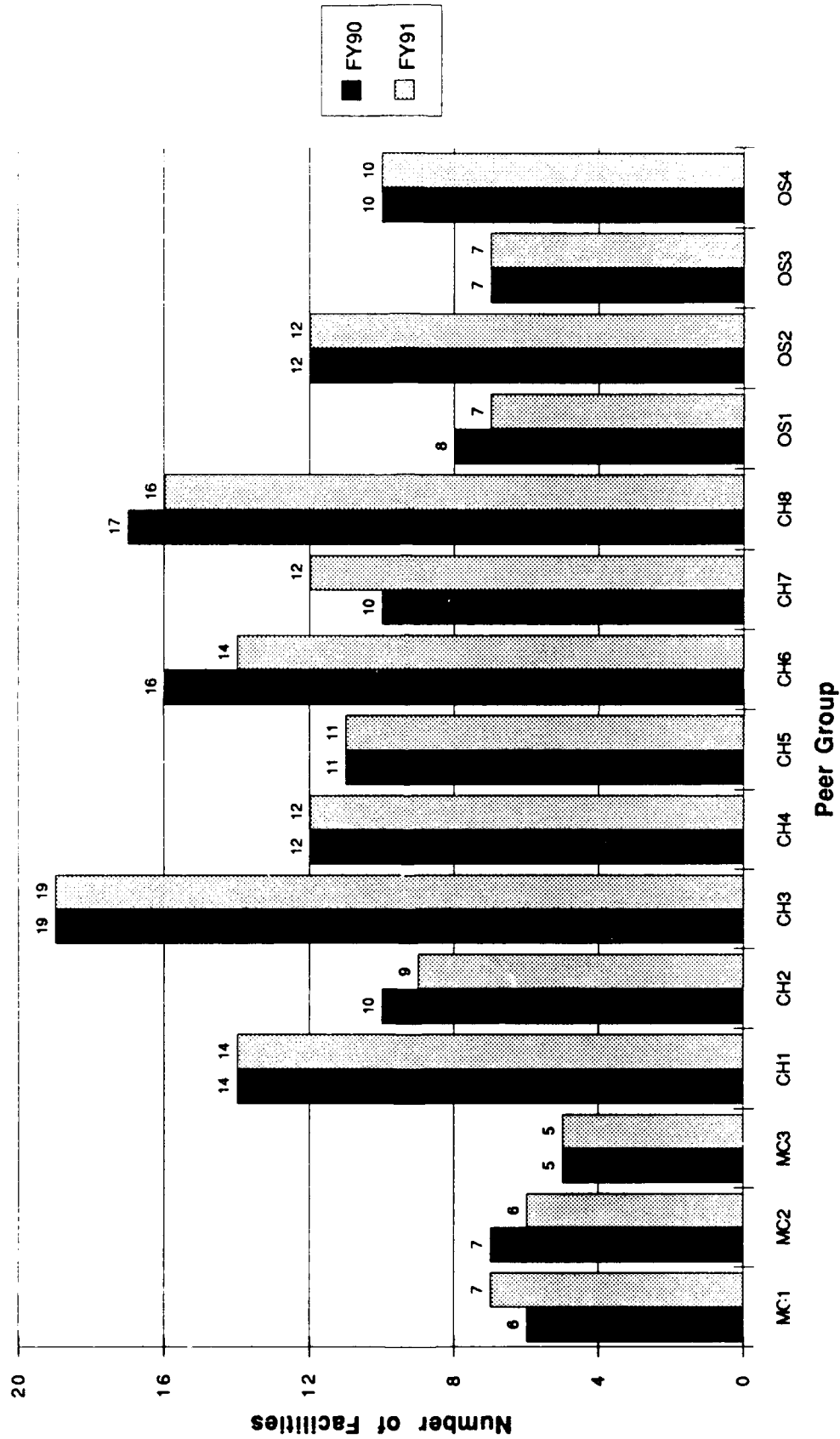


EXHIBIT 3-3: MEDICAL CENTERS GROUPED BY FY91 PEER GROUPS

Peer Group MC1_91: RCMI < 1.20					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
27	NH OAKLAND	OAKLAND	MC1	1.0918	133.1
29	NH SAN DIEGO	SAN DIEGO	MC1	1.1441	345.6
52	TRIPLER AMC	FT. SHAFTER	MC1	1.1799	360.3
55	USAF MED CTR SCOTT	SCOTT AFB	MC1	1.0623	95.2
66	MALCOM GROW USAF MED CTR	ANDREWS AFB	MC2	1.1779	184.5
124	NH PORTSMOUTH	PORTSMOUTH	MC1	1.1427	301.5
125	MADIGAN AMC	FT. LEWIS	MC1	1.0375	240.9

Peer Group MC2_91: 1.20 ≤ RCMI < 1.45					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
14	DAVID GRANT USAF MED CTR	TRAVIS AFB	MC2	1.2584	188.8
47	EISENHOWER AMC	FT. GORDON	MC2	1.3254	273.8
67	NH BETHESDA	BETHESDA	MC2	1.3257	237.6
73	USAF MED CTR KEESLER	KEESLER AFB	MC2	1.4201	214.5
95	USAF MED CTR WRIGHT-PATTERSON	WRIGHT-PATTERSON AF	MC2	1.2773	180.1
108	WILLIAM BEAUMONT AMC	FT. BLISS	MC2	1.2035	276.6

Peer Group MC3_91: RCMI ≥ 1.45					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
22	LETTERMAN AMC	PRESIDIO OF S. F.	MC3	1.8507	195.2
31	FITZSIMONS AMC	DENVER	MC3	1.4540	300.2
37	WALTER REED AMC	WASHINGTON	MC3	1.6418	623.7
109	BROOKE AMC	FT. SAM HOUSTON	MC3	1.5868	325.1
117	WILFORD HALL USAF MED CTR	LACKLAND AFB	MC3	1.6116	564.1

EXHIBIT 3-4: CONUS COMMUNITY HOSPITALS GROUPED BY FY91 PEER GROUPS

Peer Group CH1_91: ADPL < 10, RCMI < .86					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
11	USAF HOSPITAL WILLIAMS	WILLIAMS AFB	CH1	0.6377	9.3
12	97th STRATEGIC HOSPITAL	EAKER AFB	CH1	0.7086	9.0
18	1st STRATEGIC HOSPITAL	VANDENBERG AFB	CH3	0.7709	7.6
20	831st MEDICAL GROUP	GEORGE AFB	CH3	0.7237	7.9
28	NH LEMOORE	LEMOORE	CH1	0.6005	8.6
50	347th MEDICAL GROUP	MOODY AFB	CH4	0.7042	9.8
68	NH PATUXENT RIVER	PATUXENT RIVER	CH1	0.6138	7.2
84	833rd MEDICAL GROUP	HOLLOMAN AFB	CH3	0.8559	7.5
85	27th MEDICAL GROUP	CANNON AFB	CH3	0.8575	7.4
90	4th MEDICAL GROUP	SEYMOUR JOHNSON AFB	CH1	0.6496	7.0
97	USAF HOSPITAL ALTUS	ALTUS AFB	CH1	0.7080	9.6
111	USAF HOSPITAL REESE	REESE AFB	CH1	0.8297	3.0
114	USAF HOSPITAL LAUGHLIN	LAUGHLIN AFB	CH1	0.6815	5.8
294	HAWLEY AH	FT. BENJAMIN HARRISON	CH2	0.8280	6.7

Peer Group CH2_91: ADPL < 10, RCMI ≥ .86					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
13	USAF HOSPITAL LITTLE ROCK	LITTLE ROCK AFB	CH4	0.8846	6.7
46	USAF HOSPITAL PATRICK	PATRICK AFB	CH2	0.9465	7.8
54	USAF HOSPITAL CHANUTE	CHANUTE AFB	CH2	1.0477	8.1
59	384th STRATEGIC HOSPITAL	MCCONNELL AFB	CH2	0.9398	1.1
63	23rd MEDICAL GROUP	ENGLAND AFB	CH2	0.8884	5.2
74	USAF HOSPITAL COLUMBUS	COLUMBUS AFB	CH2	0.8927	4.0
87	380th STRATEGIC HOSPITAL	PLATTSBURGH AFB	CH2	0.8706	3.7
99	NH PHILADELPHIA	PHILADELPHIA	CH4	0.9917	8.5
102	354th MEDICAL GROUP	MYRTLE BEACH AFB	CH2	1.0313	4.0

-- CONTINUED --

EXHIBIT 3-4: CONUS COMMUNITY HOSPITALS GROUPED BY FY91 PEER GROUPS (CONTINUED)

Peer Group CH3_91: 10 ≤ ADPL < 22, RCM1 < .76					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
15	9th STRATEGIC HOSPITAL	BEALE AFB	CH1	0.7374	11.1
17	93rd STRATEGIC HOSPITAL	CASTLE AFB	CH3	0.6180	12.7
19	USAF HOSPITAL EDWARDS	EDWARDS AFB	CH1	0.7173	11.0
30	BRH MGAGCC TWENTY NINE PALMS	TWENTYNINE PALMS	CH3	0.7287	11.3
43	325th MEDICAL GROUP	TYNDALL AFB	CH5	0.7538	17.8
53	366th MEDICAL GROUP	MOUNTAIN HOME AFB	CH3	0.7483	13.3
71	379th STRATEGIC HOSPITAL	WURTMITH AFB	CH3	0.6633	10.1
72	410th STRATEGIC HOSPITAL	K.I.SAWYER AFB	CH1	0.6893	11.4
76	351st STRATEGIC HOSPITAL	WHITEMAN AFB	CH3	0.6347	12.2
79	554th MEDICAL GROUP	NELLIS AFB	CH5	0.6974	20.6
88	416th STRATEGIC HOSPITAL	GRIFFISS AFB	CH3	0.6453	13.2
92	NH CHERRY POINT	CHERRY POINT	CH3	0.6379	17.4
93	842nd STRATEGIC HOSPITAL	GRAND FORKS AFB	CH3	0.7068	13.1
96	USAF HOSPITAL TINKER	TINKER AFB	CH3	0.7303	17.8
106	44th STRATEGIC HOSPITAL	ELLSWORTH AFB	CH3	0.6658	18.4
112	96th STRATEGIC HOSPITAL	DYESS AFB	CH3	0.6650	15.6
127	NH OAK HARBOR	OAK HARBOR	CH1	0.6371	12.6
129	90th STRATEGIC HOSPITAL	F.E. WARREN AFB	CH3	0.6952	14.3
131	WEED ACH	FT. IRWIN	CH3	0.6933	20.3

Peer Group CH4_91: 10 ≤ ADPL < 22, RCM1 ≥ .76					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
1	FOX AH	REDSTONE ARSENAL	CH4	0.9293	21.2
10	836th MEDICAL GROUP	DAVIS MONTHAN AFB	CH5	0.8877	19.2
35	NH GROTON	GROTON	CH4	0.9701	13.3
36	USAF HOSPITAL DOVER	DOVER AFB	CH2	0.7600	16.6
51	USAF HOSPITAL ROBINS	ROBINS AFB	CH4	0.7982	14.2
58	MUNSON AH	FT. LEAVENWORTH	CH4	0.9434	12.9
65	42nd STRATEGIC HOSPITAL	LORING AFB	CH1	0.7721	11.2
70	CUTLER AH	FT. DEVENS	CH4	0.9308	20.9
81	PATTERSON AH	FT. MONMOUTH	CH4	0.8978	13.9
83	USAF HOSPITAL KIRTLAND	KIRTLAND AFB	CH4	1.0074	19.2
115	67th MEDICAL GROUP	BERGSTROM AFB	CH2	0.9508	12.4
119	USAF HOSPITAL HILL	HILL AFB	CH3	0.7827	16.3

-- CONTINUED --

EXHIBIT 3-4: CONUS COMMUNITY HOSPITALS GROUPED BY FY91 PEER GROUPS (CONTINUED)

Peer Group CH5 91: $22 \leq ADPL < 55$, $RCMI < .82$					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
5	BASSETT ACH	FT. WAINWRIGHT	CH5	0.7963	30.8
8	BLISS AH	FT. HUACHUCA	CH6	0.8054	26.7
9	832nd MEDICAL GROUP	LUKE AFB	CH5	0.8154	31.5
44	31st MEDICAL GROUP	HOMESTEAD AFB	CH4	0.7843	27.4
45	56th MEDICAL GROUP	MACDILL AFB	CH5	0.8013	39.1
62	2nd STRATEGIC HOSPITAL	BARKSDALE AFB	CH5	0.8088	30.0
94	857th STRATEGIC HOSPITAL	MINOT AFB	CH6	0.8162	22.5
101	363rd MEDICAL GROUP	SHAW AFB	CH3	0.7071	22.8
107	NH MILLINGTON	MILLINGTON	CH5	0.8027	29.4
120	1st MEDICAL GROUP	LANGLEY AFB	CH5	0.7289	38.2
128	92nd STRATEGIC HOSPITAL	FAIRCHILD AFB	CH6	0.7768	22.3

Peer Group CH6 91: $22 \leq ADPL < 55$, $RCMI \geq .82$					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
2	NOBLE AH	FT. MCCLELLAN	CH6	0.8385	35.8
3	LYSTER AH	FT. RUCKER	CH5	0.8938	36.8
4	AIR UNIVERSITY RGN HOSPITAL	MAXWELL AFB	CH6	0.9074	37.3
16	USAF HOSPITAL MATHER	MATHER AFB	CH6	0.8464	27.7
33	USAF ACADEMY HOSPITAL	USAF ACADEMY	CH6	0.8648	40.6
69	KIMBROUGH AH	FT. MEADE	CH6	0.9262	33.9
78	EHRLING BERQUIST RGN HOSP	OFFUTT AFB	CH5	0.8415	40.9
82	WALSON AH	FT. DIX	CH8	1.0725	51.0
86	KELLER AH	WEST POINT	CH6	0.8253	33.8
100	NH NEWPORT	NEWPORT	CH6	1.0770	29.5
104	NH BEAUFORT	BEAUFORT	CH6	0.8737	29.3
118	NH CORPUS CHRISTI	CORPUS CHRISTI	CH6	0.9895	24.9
121	MCDONALD AH	FT. EUSTIS	CH6	0.8423	36.3
122	KENNER AH	FT. LEE	CH6	1.0333	38.7

-- CONTINUED --

EXHIBIT 3-4: CONUS COMMUNITY HOSPITALS GROUPED BY FY91 PEER GROUPS (CONCLUDED)

Peer Group CH7 91: ADPL \geq 55, RCMI $<$.90					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
6	USAF HOSPITAL ELMENDORF	ELMENDORF AFB	CH7	0.8616	57.2
23	HAYS AH	FT. ORD	CH7	0.8290	92.5
32	EVANS AH	FT. CARSON	CH7	0.8081	96.3
49	WINN AH	FT. STEWART	CH7	0.8409	59.5
57	IRWIN AH	FT. RILEY	CH7	0.8041	61.6
60	BLANCHFIELD ACH	FT. CAMPBELL	CH8	0.8476	85.9
61	IRELAND AH	FT. KNOX	CH7	0.8415	85.7
64	BAYNE-JONES AH	FT. POLK	CH7	0.8202	72.8
75	WOOD AH	FT. LEONARD WOOD	CH8	0.8905	93.3
98	REYNOLDS AH	FT. SILL	CH8	0.8553	89.1
110	DARNALL AH	FT. HOOD	CH7	0.8155	131.5
123	DEWITT AH	FT. BELVOIR	CH7	0.7632	61.2

Peer Group CH8 91: ADPL \geq 55, RCMI \geq .90					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
21	22nd STRATEGIC HOSPITAL	MARCH AFB	CH6	0.9860	57.9
24	NH CAMP PENDLETON	CAMP PENDLETON	CH8	0.9185	101.2
25	NH LONG BEACH	LONG BEACH	CH8	1.2031	83.7
38	NH PENSACOLA	PENSACOLA	CH8	0.9270	58.3
39	NH JACKSONVILLE	JACKSONVILLE	CH7	0.9958	71.5
40	NH ORLANDO	ORLANDO	CH8	1.0494	74.2
42	USAF RGN HOSPITAL EGLIN	EGLIN AFB	CH8	0.9728	101.9
48	MARTIN AH	FT. BENNING	CH8	1.0740	159.7
56	NH GREAT LAKES	GREAT LAKES	CH8	1.1897	67.2
89	WOMACK AH	FT. BRAGG	CH8	0.9007	183.6
91	NH CAMP LEJEUNE	CAMP LEJEUNE	CH8	1.0291	83.9
103	NH CHARLESTON	CHARLESTON	CH8	0.9648	104.3
105	MONCRIEF AH	FT. JACKSON	CH8	1.0947	97.1
113	USAF RGN HOSPITAL SHEPPARD	SHEPPARD AFB	CH8	1.2173	84.0
116	ROBERT THOMPSON STRATEGIC HOSP	CARSWELL AFB	CH8	0.9668	69.8
126	NH BREMERTON	BREMERTON	CH6	0.9422	58.2

- 13 switched based on ADPL changes alone including 9 facilities that had a decrease in ADPL;
- 8 switched based on changes in RCMI;
- 9 facilities changed peer groups simply due to peer group redefinitions; and
- 3 facilities switched peer groups due to changes in both ADPL and RCMI.

These last 3 facilities were:

- 31st Medical Group-Homestead AFB switched from CH4_90 to CH5_91;
- 347th Medical Group-Moody AFB switched from CH4_90 to CH1_91; and
- 836th Medical Group-Davis Monthan AFB switched from CH5_90 to CH4_91.

Exhibit 3-5 presents the overseas hospital peer groups. Only 5 of 36 facilities changed peer groups in FY91. Four of these were due to changes in RCMI, and one was attributable to changes in the cut point definitions. Having presented the facilities that are contained within each peer group, the remainder of this chapter summarizes the stability of the peer groups.

Exhibit 3-6 presents the number of facilities switching peer groups between FY88 and FY90 and between FY90 and FY91. Seven overseas MTFs switched peer groups between FY88 and FY90, and 5 switched between FY90 and FY91. Forty-four CONUS community hospital facilities switched peer groups in FY90, and 33 switched in FY91. There were 18 CONUS community hospitals and 3 overseas hospitals that switched peer groups between FY88 and FY90 and then again between FY90 and FY91. Eleven of these 21 facilities switched back to the peer group to which they belonged in FY88.

Exhibit 3-7 presents the number of facilities changing peer groups based upon changes in RCMI, ADPL, and the cut point definitions. There were 39 facilities in total that switched peer groups between FY90 and

EXHIBIT 3-5: OVERSEAS HOSPITALS GROUPED BY FY91 PEER GROUPS

Peer Group OS1_91: ADPL < 25, RCMI < .78					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
624	BRH USNAF, SIGONELLA	ITALY	OS1	0.5378	1.0
626	USAF HOSPITAL BITBURG	BITBURG AB	OS1	0.6429	17.9
627	USAF HOSPITAL HAHN	HAHN AB	OS1	0.6006	8.0
629	USAF HOSPITAL LAJES	LAJES FLD	OS1	0.6417	6.5
630	USAF HOSPITAL TORREJON	TORREJON AB	OS2	0.7208	9.2
632	USAF HOSPITAL UPPER HEYFORD	RAF UPPER HEYFORD	OS1	0.7724	16.8
639	432TH MEDICAL GROUP	MISAWA	OS1	0.7221	12.4

Peer Group OS2_91: ADPL < 25, RCMI ≥ .78					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
603	USAH BERLIN	BERLIN	OS2	0.8883	21.8
604	2ND FIELD HOSPITAL	BREMERHAVEN	OS2	0.8014	16.0
611	45TH FIELD HOSPITAL	VICENZA	OS2	0.8244	10.2
614	196TH STATION HOSP SHAPE	BELGIUM	OS2	0.7872	11.6
615	NH GUATANAMO BAY	GUANTANAMO BAY	OS2	0.8455	4.9
616	NH ROOSEVELT ROADS	CEIBA	OS2	0.8312	14.9
617	NH NAPLES	NAPLES	OS1	0.8025	17.9
623	NH KEFLAVIK, ICELAND	ICELAND	OS1	0.7886	5.3
635	USAF HOSPITAL INCIRLIK	INCIRLIK AB	OS2	0.8244	14.2
637	8TH MEDICAL GROUP	KUNSON AB	OS2	0.8031	1.7
638	51ST MEDICAL GROUP	OSAN AB	OS2	0.8669	6.3
640	475TH MEDICAL GROUP	YOKOTA AB	OS2	0.8392	17.3

-- CONTINUED --

EXHIBIT 3-5: OVERSEAS HOSPITALS GROUPED BY FY91 PEER GROUPS (CONCLUDED)

Peer Group OS3_91: ADPL \geq 25, RCMI $<$.91					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
601	34th GENERAL HOSPITAL	AUGSBURG	OS4	0.9016	35.2
606	130TH STATION HOSPITAL	HEIDELBERG	OS3	0.7962	50.7
609	67TH EVACUATION HOSPITAL	WURZBURG	OS3	0.7566	43.6
620	NHGUAM	AGANA	OS3	0.8641	37.2
621	NH OKINAWA	OKINAWA	OS3	0.9043	83.8
622	NH YOKOSUKA	YOKOSUKA	OS3	0.8639	38.2
633	USAF RGN HOSPITAL LAKENHEATH	RAF LAKENHEATH	OS3	0.8172	44.2

Peer Group OS4_91: ADPL \geq 25, RCMI \geq .91					
DMISID	Facility Name	Installation Name	FY90 PGROUP	FY91 RCMI	FY91 ADPL
602	5TH GENERAL HOSPITAL	BAD CANNSTATT	OS4	0.9207	63.5
605	97TH GENERAL HOSPITAL	FRANKFURT	OS4	0.9765	150.3
607	2ND GENERAL HOSPITAL	LANDSTUHL	OS4	1.1467	176.2
608	98TH GENRAL HOSPITAL	NURNBERG	OS4	0.9799	73.7
612	121ST EVACUATION HOSPITAL	SEOL	OS4	0.9692	90.5
613	GORGASACH	GORGAS	OS4	0.9122	88.4
618	NH ROTA	ROTA	OS4	0.9369	29.8
619	NH SUBIC BAY	SUBIC BAY	OS3	0.9286	31.6
628	USAF RGN MED CTR WIESBADEN	WIESBADEN AB	OS4	0.9538	120.6
636	13TH MEDICAL CENTER	CLARK AB	OS4	1.0165	46.1

EXHIBIT 3-6: SUMMARY OF NUMBER OF PEER GROUP CHANGES BETWEEN
FY88 AND FY90, FY90 AND FY91 BY FACILITY TYPE

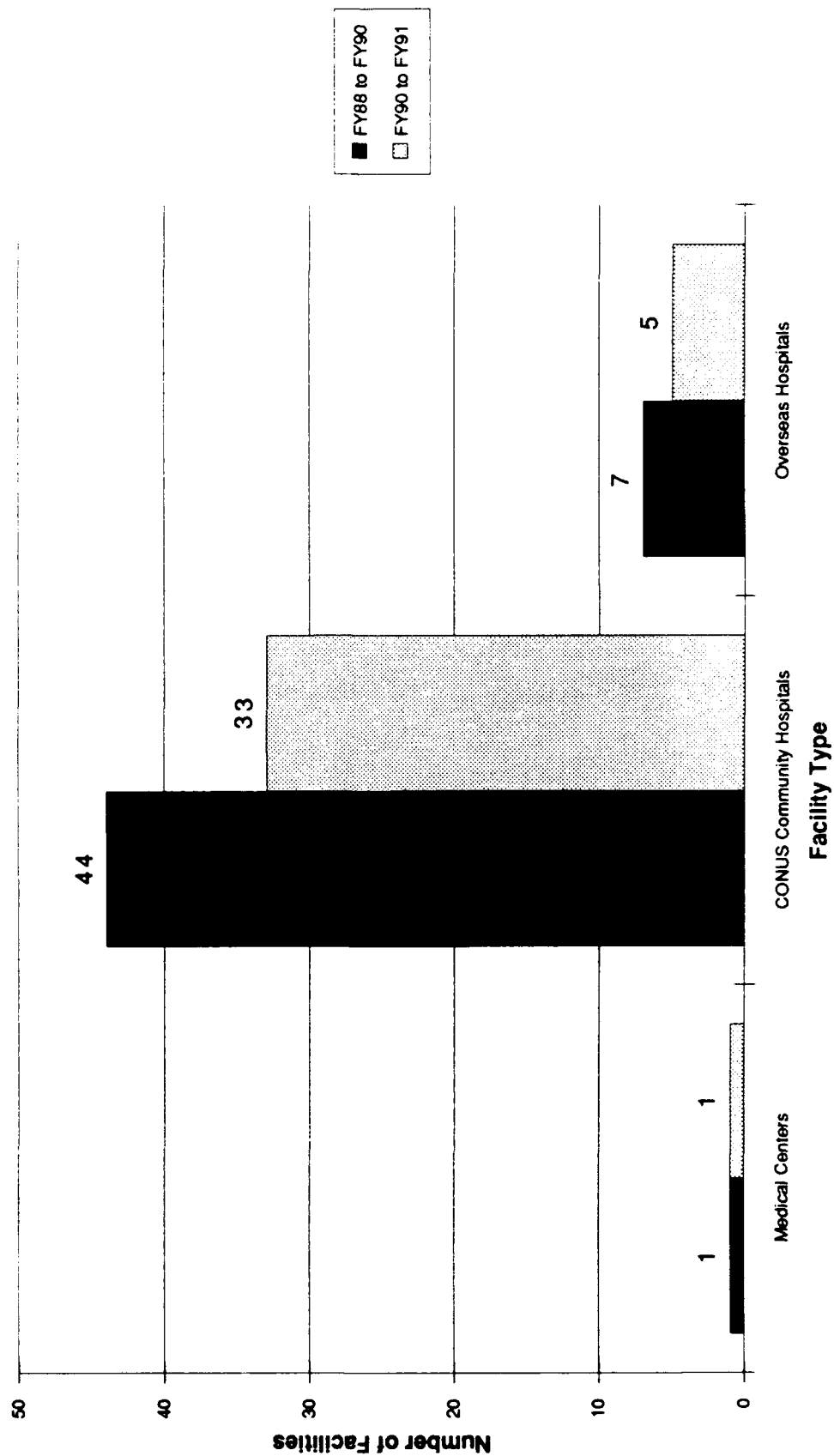
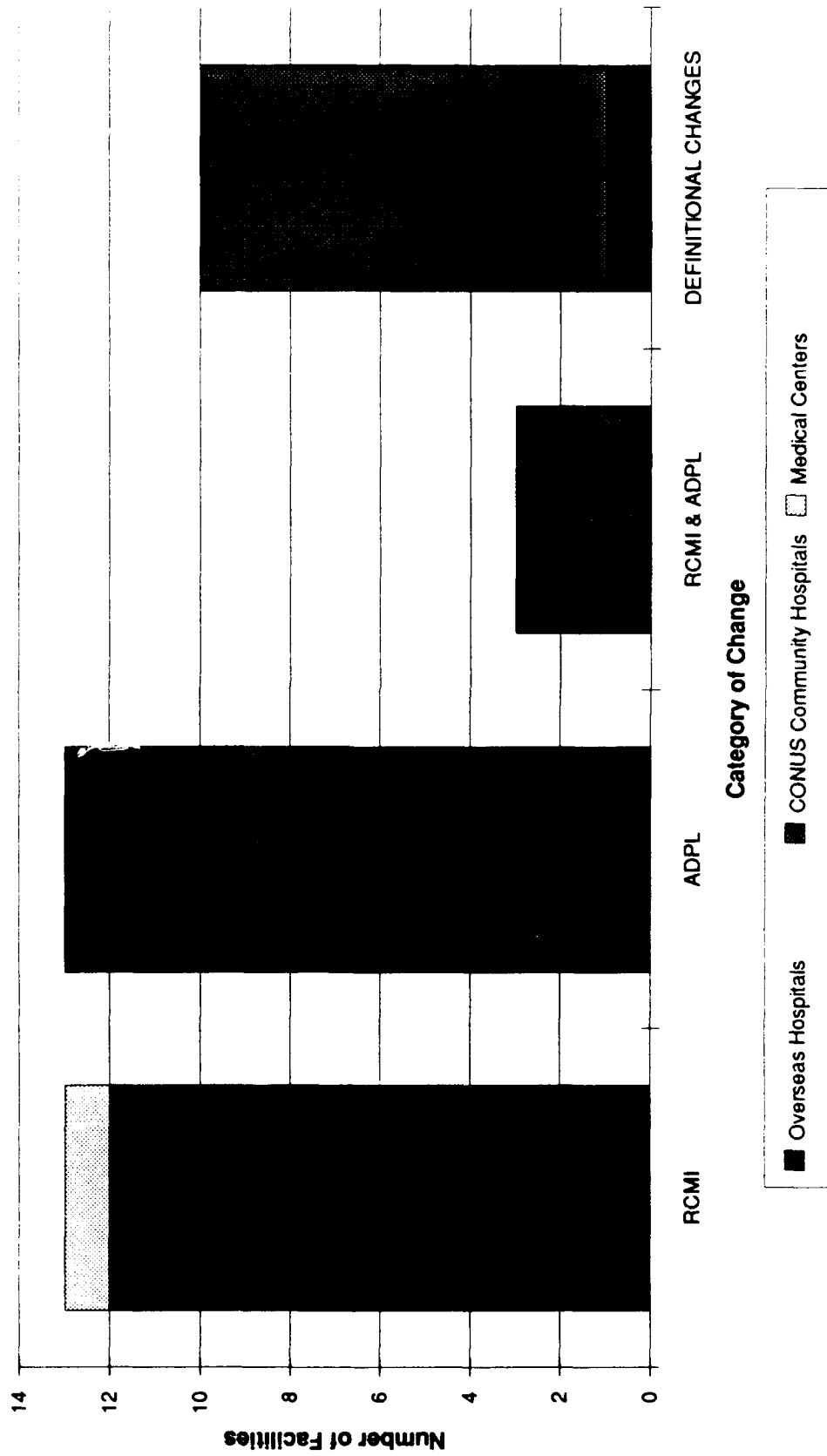


EXHIBIT 3-7: SUMMARY OF PEER GROUP CHANGES FOR FY91 BY
CATEGORY OF CHANGE



FY91. Thirteen of these switches were due to a change in RCMI and 13 switches were due to a change in ADPL. Three switches were due to a combination of changes in both RCMI and ADPL, and the other 10 were due to changes in the peer group definitions.

In summary, the FY91 peer groups have been slightly modified to maintain peer group sizes comparable to previous fiscal years' results. Ideal peer groups would reflect similarities in resource requirements to provide patient care while being stable from year to year. The medical center and overseas hospital peer groups were relatively stable while CONUS community hospital peer groups were less stable. The peer groups appear sufficiently stable for their purpose. Under current conditions of base realignment and closure, implementation of the Coordinated Care Program (CCP), and similar initiatives, however, alternative methods for defining peer groups may be required in order to maintain peer group stability in the future.